

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
High-Cost Universal Service Support)	WC Docket No. 05-337
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Request for Review of Decision of Universal)	
Service Administrator by Corr Wireless)	
Communications, LLC)	

COMMENTS of ADTRAN, Inc.

ADTRAN, Inc. (“ADTRAN”) files these brief comments in response to the Commission’s Notice of Proposed Rulemaking with regard to treatment of “reclaimed” Universal Service Fund (USF) support.¹ ADTRAN agrees with the *Order and NPRM’s* suggestion that “reclaimed” USF support from competitive eligible telecommunications carriers (ETCs) should be used to support broadband deployment, and should not be redistributed to other competitive ETCs whose support was capped by previous Commission action.

ADTRAN, founded in 1986 and headquartered in Huntsville, Alabama, is a leading global manufacturer of networking and communications equipment, with an innovative portfolio of more than 1,700 solutions for use in the last mile of today’s telecommunications networks. ADTRAN’s equipment is deployed by some of the world’s largest service providers, as well as distributed enterprises and small and medium businesses. Importantly for purposes of this proceeding, ADTRAN solutions enable voice, data, video and Internet communications across

¹ High-Cost Universal Service Support, Federal-State Joint Board on Universal Service, WC Docket No. 05-337, CC Docket No. 96-45, FCC 10-155, released September 3, 2010 (hereafter cited as “*Order and NPRM*”).

copper, fiber and wireless network infrastructures. ADTRAN thus brings an expansive perspective to this proceeding.

The National Broadband Plan found that the USF program should be updated so as to allow support for broadband services, rather than simply subsidizing voice service in high cost areas.² The Commission has initiated a rulemaking proceeding in order to implement this recommendation,³ and ADTRAN supports such a proposal. Ubiquitous broadband deployment will well serve the public interest. As the National Broadband Plan recognizes, however, broadband capabilities will not be deployed to some remote or insular areas without subsidization, and the Universal Service Fund can be used to provide at least some of the needed support.

ADTRAN agrees with the *Order and NPRM* that “reclaimed or relinquished” USF support, including the Verizon Wireless and Sprint Nextel subsidies, should be used for such broadband support. At the same time, ADTRAN urges the Commission to reject any claims that such “reclaimed” funds should be earmarked for wireless broadband subsidies. It makes no sense to preserve a vestige of the flawed voice subsidy system that everyone agrees needs to be reformed. The Commission should ensure that the new broadband subsidy program is technology neutral, as well as efficient.

ADTRAN believes that the marketplace should govern the service provider’s and customers’ choice of broadband technologies, and such choices should not be pre-determined by limiting subsidies to any particular technology. Each of the various broadband technologies has

² Federal Communications Commission, *Connecting America: The National Broadband Plan* (rel. Mar. 16, 2010), available at http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-296935A1.pdf (last visited October 7, 2010) at pp. 145-148.

³ *Connect America Fund, A National Broadband Plan for Our Future, High-Cost Universal Service Support*, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 05-337, Notice of Inquiry and Notice of Proposed Rulemaking, FCC 10-58, paras. 60-61 (rel. Apr. 21, 2010) (*Universal Service Reform NOI and NPRM*).

“pluses” and “minuses.” Fiber-to-the-home (“FTTH”) provides very high throughput (and the potential for even higher capacity by changing the electronics if necessary), although the cost of deploying fiber all the way to the home is significant. Fiber-to-the-node (or to a remote terminal) is significantly less expensive than FTTH, although it generally offers lower speeds. On the other hand, advances in DSL technologies (including pair bonding and vectoring) support speeds over copper loops of just under 300 mbps at loop distances of 2,000 feet, so that fiber-to-the-node is presently capable of matching current FTTH speeds, if the loop distance is not too great. Moreover, even newer DSL technologies using advanced signaling techniques (referred to as “4GBB”) may be able to provide speeds of 1 Gbps or more over the copper loops of up to 300 meters,⁴ so that technological obsolescence is unlikely to be a concern for the foreseeable future.

Broadband over cable economically offers high speeds as an adjunct to already-deployed cable systems, although the shared bandwidth in that architecture decreases the available capacity if many of the subscribers are online simultaneously. Terrestrial wireless broadband can be deployed relatively quickly (since no wires need to be strung or trenches dug – and assuming there are no regulatory issues that would delay construction of the needed towers) and also provides mobility, although the shared bandwidth could constrain each subscriber’s experienced speed. Satellite broadband may be an economical means of serving particularly remote customers, although capacity constraints and latency issues may render it less than ideal for a number of applications.


Earmarking “reclaimed or relinquished” competitive ETC subsidies for wireless broadband support would amount to tilting the playing field in favor of wireless broadband. ADTRAN believes that consumer welfare will be maximized when broadband subsidies are

⁴ See, “The Fourth Generation Broadband Concept,” *IEEE Communications Magazine*, January 2009 at p. 68.

awarded to the most efficient technology that best meets the needs of a service provider's particular circumstances. Treatment of reclaimed competitive ETC support that incorporates this principle will best serve the public interest.

Respectfully submitted,

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